

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

ACTS – Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (Central Act 27 of 1996) (Main Act) and the Andhra Pradesh Rules made there under; the Building and Other Construction Workers' Welfare Cess Act, 1996 (Central Act 28 of 1996) (Cess Act) and the Building and Other Construction Workers' Welfare Cess Rules, 1998 – Compliance with the statutory provisions by all the Departments and Public Sector Undertakings – Orders – Issued.

LABOUR EMPLOYMENT TRAINING & FACTORIES (Lab.II) DEPARTMENT

G.O.Ms.No.111

Dated. 15.12.2009.
Read the following:

1. G.O.Ms.No.42, LET & F (Lab.II) Dept, dt.30.04.07.
2. From the COL, A.P. Lr.No.C.Cell/8006/07-1, dt.14.06.07.

ORDER:

The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (Central Act 27 of 1996) (Main Act) and the Building and Other Construction Workers' Welfare Cess Act, 1996 (central Act 28 of 1996) (Cess Act) are enacted by the Central Government with an objective to collect Cess from the employers undertaking Building or Other Construction Work and to implement welfare measures for the construction workers who are registered as beneficiaries with the Building and Other Construction Workers' Welfare Board constituted by the State Government. Besides there are provisions for enforcement of regulatory conditions for safety, health and welfare of the workers working in the construction activity. The Central Government have framed the Building and Other Construction Workers Welfare Cess Rules, 1998. The Andhra Pradesh Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 1999 have been framed under the Main Act vide G.O.Ms.No.69, Labour, Employment, Training and Factories (Lab.II) Department, dated 3.12.1999 which have been amended vide G.O.Ms.No.57, LET & F (Lab.II) dt.26.6.2007; and the Andhra Pradesh Building and Other Construction Workers' Welfare Board has been constituted by the Government vide G.O.Ms.No.41, LET & F (Lab.II) Dt.30.4.2007.

2. The important provisions of the Main Act and the Cess Act have been enumerated in the Annexure I:

3. All the Administrative Departments are requested to issue instructions immediately to the Commissionrates / Directorates, State Public Undertakings/Local Bodies etc. under their Administrative Control,-

(i) to comply with the statutory provisions of the Building and Other Construction workers (Regulation of Employment and Conditions of Service) Act, 1996 (Main Act) and the Andhra Pradesh Rules, 1999 made thereunder; Building and Other Construction Workers' Welfare Cess Act, 1996 (Cess Act) and Cess Rules, 1998 made there under by deducting 1% Cess from the Bills payable to the contractors / executing agencies with effect from 26.6.2007 in respect of all the works covered by the definition of "Building or Other Construction

Work" under the Act; and it includes all expenditure incurred by an employer in connection with the building or other construction works and it excludes the costs of land and any compensation paid or payable to a worker or his kin under the Workmen's Compensation Act, 1923.

(ii) to remit the said Cess amount deducted by them/ collected by them as the case may be, on the next working day of deduction/collection invariably by way of Challan into the Andhra Bank as per the accounting procedure notified under G.O.Ms.No.42, LET & F (Lab.II) Dept, dated 30.04.2007(Annexure-2). However, where payments are made by P.A.O.s/A.P.A.O.s, the amount shall be remitted once in a month. The amount deducted by the P.A.O.s/A.P.A.O.s during the month from 1st day to last day shall be remitted by them invariably before 10th of the succeeding month.

(iii) All the Departments undertaking "Building or Other Construction works" should submit an Annual Return as per the Annexure 4 to the Secretary, Andhra Pradesh Building and Other Construction Workers Welfare Board, T.Anjaiah Samkshema Bhavan, Near RTC X Roads, Hyderabad", for every financial year, so as to reach the Board before 15th May of the succeeding year.

(iv) All the Drawing and Disbursing Officers of the State and all the Government agencies are requested to collect 1% Cess on the Cost of Construction defined as per Section 3 of the Cess Act and Rule 3 of the Rules made there under, as also the notification dated.26.09.1996 issued by the Central Government, with effect from 26.06.2007 the day from which the Cess Fund Orders have come into effect.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

P. RAMAKANTH REDDY
CHIEF SECRETARY TO GOVERNMENT

To

All Departments of Secretariat.

All Heads of Department.

All Directors of Works Accounts A.P. Hyderabad, with 50 copies of the order.

All District Collectors.

The Accountant General, Andhra Pradesh, Hyderabad.

The Advocate General, A.P. High Court, Hyderabad.

The Commissioner, Printing, Stationary and Store purchase, Andhra Pradesh, Hyderabad. (with a request to publish the notification in the A.P. Gazette and furnish 10 copies to Government and 50 copies to Commissioner of Labour, A.P., Hyderabad)

The Director Treasuries Accounts, A.P. Hyderabad.

The Pay & Accounts Officer, A.P. Hyderabad.

Copy to:

The I & PR, Publicity Cell, Secretariat, Hyderabad.

The Secretary to State Legislative Assembly, Hyderabad.

The P.S. to Principal Secretary to Chief Minister.

The P.S to Special Secretary to Chief Minister.

The P.S. to Chief Secretary to Government.

The P.s. to Hon'ble Minister for Labour & Factories Dept.

The CAG, New Delhi.

All District Treasury Officers in the State

// FORWARDED:: BY ORDER //

SECTION OFFICER

All the G.Os. & Instruction issued by the Labour Department on the Building & Other Construction Workers Act are available in the E Mail Address apbldg@yahoo.co.in And the Password is 123456

Annexure – I (Provisions)

The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (Central 27 of 1996) (Main Act) and the Andhra Pradesh Rules made there under; The Building & Other Construction Workers' Welfare Cess Act, 1996 (Central 27 of 1996) (Cess Act) and the Building & Other Construction Workers Cess Rules, 1998

1. "Building or other construction work" has been defined (Section 2(d)) as "the construction, alteration, repairs, maintenance or demolition, of or, in relation to **buildings, streets, roads, railways, tramways, airfields, irrigation, drainage, embankment and navigation works, flood control works (including storm water drainage works), oil and gas installations, electric lines, wireless, radio, television, telephone, telegraph and overseas communications, dams, canals, reservoirs, watercourses, tunnels, bridges, viaducts, aqueducts, pipelines, towers, cooling towers, transmission towers and such other work as may be** specified in this behalf by the appropriate Government by notification but does not include any building or other construction work to which the provisions of the Factories 1948 or the Mines Act, 1952 apply;

2. The Act applies to all "Establishments" employing 10 or more workers on any day. The term "Establishment" means Section 2(j) any establishment belonging to , or under the control of, **Government, any body corporate or firm, and individual or association or other body of individuals which or who employs building workers in** any building or other construction work; and includes an establishment belonging to a contractor, but does **not include an individual who employs such workers in any building or construction work in relation to his own residence the total cost of such construction not being more than rupees ten lakhs:**

3. The term "Employer" has been defined (Section 2(i)) as "in relation to an establishment, means the owner thereof, and includes:-

- (i) in relation to a building or other Construction work carried on by or under the authority specified in this behalf, or where no authority is specified, the head of the department;
- (ii) in relation to a building or other construction work carried on by or on behalf of a local authority or other establishment, directly without any contractor, the chief executive officer of that authority or establishment;
- (iii) in relation to a building or other construction work carried on by of through a contractor or by the employment of building workers supplied by a contractor, the contractor;

4. As per Section 3 of the Cess Act, read with rule 4(3) of the Cess Rules and in accordance with S.O No.2899, Dated: 26.3.1996 of the Government of India, 1% Cess has to be deducted from the Bills paid for works which are covered by the definition of "Building and Other Construction work" and remitted by way of crossed Demand Draft in favour of Andhra Pradesh

Building and Other Construction Workers' Welfare Board payable at Hyderabad.

5. As per rule 4(4) of the Cess Rules, where the approval of construction work by a Local Authority is required, every application for such approval shall be accompanied by a crossed demand draft in favour of the Board for the amount of Cess on the estimated cost of construction for the total project or for the period of one year, as the case may be.

6. Further, as per Rule-5 the Government Office/Public Sector Undertakings/ Local Bodies/ Cess Collector shall transfer the Cess collected under Rule-4 along with the challan prescribed under the accounting procedure under G.O.Ms.No.42, LET & F (Lab.II) Department, Dated: 30.4.2007. While remitting the amount, actual collection not exceeding 1% of the total amount collected may be deducted.

7. As per Rule-5(3), the amount collected shall be remitted to the Board within 30 days of collection.

8. As per Section 6(1) of the Cess Act, every employer within 30 days of commencement of his work or payment of Cess, shall furnish to the Assessing Officer, information in Form-1(copy appended).

9. As per Rule-7, the Assessing Officer on receipt of Form-I, shall make an order of assessment within a period of not exceeding six months, if he is satisfied about the correctness of the particulars.

10. The following provisions of the Cess Act and Rules deal with the consequences of non compliance:

Section 8. Interest payable on delay in payment of Cess:- If any employer fails to pay any amount of Cess payable under Section 3 within the time specified in the order of assessment, such employer shall be liable to pay interest on the amount to be paid at the rate of two per cent for every month or part of a month comprised in the period from the date on which such payment due till such amount is actually paid.

Section 9. Penalty for non-payment of Cess within the specified time

If any amount of Cess payable by any employer under Section 3 is not paid within the date specified in the order of assessment made under Section 5, it shall be deemed to be in arrears and the authority prescribed in this behalf may, after making such inquiry as it deems fit, impose on such employer a penalty not exceeding the amount of Cess;

Provided that, before imposing any such penalty, such employer shall be given a reasonable opportunity of being heard and if after such hearing the said authority is satisfied that the default was for any good and sufficient reason, no penalty shall be imposed under this section.

Section 10: Recovery of amount due under the Act: any amount due under this Act (including any interest or penalty) from an employer may be recovered in the same manner as an arrear of land revenue.

Section – 12 Penalty: (1) Whoever, being under an obligation to furnish a return under this Act, furnishes any return knowingly, or having reason to believe, the same to be false shall be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

(2) Whoever, being liable to pay Cess under this Act, willfully or intentionally evades or attempts to evade the payment of such Cess shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

(3) No court shall take cognizance of an offence punishable under this Section save on a complaint made by or under this authority of the Central Government.

Rule 12 of the Cess Rules: Penalty for non-payment:-(1) An Assessing Officer, if it appears to him that an employer has not paid the Cess within the date as specified in the assessment order or has paid less Cess within the date as specified in the assessment order or has paid less Cess, including the Cess deducted at source or paid in advance, shall issue a notice to such employer that it shall be deemed to be in arrears and such Assessing Officer may, after such inquiry as it deems fits, impose on such employer, **a penalty not exceeding such amount of Cess;**

Providing that before imposing any such penalty, such employer shall be given a reasonable opportunity of being heard and if after such hearing the Assessing Officer is satisfied that the default was for any good and sufficient reason, no penalty shall be imposed on such employer.

Appendix to annexure-I

FORM – I
(See Rule 7)

Registration No:-
Under Building and Other
Construction Workers'
(Regulation of Employment and
Conditions of Service) Act, 1996.

Registered Authority

1 Name of the Establishment

2 Address

3 Name of Work

4 No.of Workers employed

5 Date of Commencement of Work
Date Months Year

Estimated Period of Work
Month Year

6	Estimated Cost of Construction		Details of payment of Cess	
	Stages	Cost	Amount Challan No. and Date	Advance – A Deduction a Source – D Final – F

1st Year

2nd Year

3rd Year

4th Year

Total

Signature of Employer
Name of Employer
Date

TO BE FILLED BY ASSESSING OFFICER

7. Date of Completion

8. Final Cost

9. Date of Assessment

10. Amount assessed

11. Date of Appeal, if any

12. Date of order in Appeal

13. Amount as per Order in Appeal
Board

14. Date of transfer of Cess to the

15. Amount transferred – Challan No and Date

Signature
Designation

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Annexure – II

GOVERNMENT OF ANDHRA PRADESH
A B S T R A C T

ACTS-Building and other construction workers (Regulation of employment and conditions of service) Act,1996 (Act 27 of 1996), The Building and other Construction Workers' Welfare Cess Act, 1996 and The Building and other Construction Workers' Welfare Cess Rules, 1996 –Accounting Procedure - Notification- Issued.

LABOUR, EMPLOYMENT, TRAINING & FACTORIES (LAB.II) DEPARTMENT.

G.O.Ms.No.42

Dated.30th April 2007

Read the following-

From the Commissioner of Labour, A.P., Hyderabad Lr.No. Rc. No.O1/4405/98 -III Dt. 10.01.2006

ORDER:

The following notification will be published in the next issue of the
Andhra Pradesh Gazette:-

NOTIFICATION

In pursuance of rule 5 (1) of the Building and other construction workers Cess Rules, 1996, the Government of Andhra Pradesh hereby prescribe the following Accounting Procedure for the Collection of Cess.

1. The Andhra Bank has agreed for collection of the Welfare Fund contributions and remit to the Andhra Pradesh Building and other Constructions Workers' Welfare Fund account in their Commissioner of Labour-Extension Counter, Hyderabad (Under Ashoknagar Branch Code No. 9039)

They have identified 119 Branches all over the State in all
Municipalities and Municipal Corporations (as per ANNEXURE-I
appended to this order)for the purpose of Collection of Welfare Fund Contributions/Cess.

2. The Employer or the Worker or the Cess Collector or the Local Authority or the Government Office or the Principal Employer or others, who are responsible to remit the Welfare Fund contributions/Cess (Remitter) can directly remit the Welfare Fund contribution/Cess into the Andhra Pradesh Building and Constructions Workers' Welfare Fund account in any of the above 119 Branches of Andhra Bank by way of Challan as per ANNEXURE-II.
3. Challan Comprises Four Copies, out of which Banker will retain two copies and return the remaining two to the Remitter who paid the Welfare Fund Contributions/Cess.
4. The Remitter shall forward one copy to the Secretary of the Andhra Pradesh Building and Constructions Workers' Welfare Board at the end of every month details of all the Employees covered by such remittance duly enclosing a Statement with details of establishment, Number of workers and the amount collected. The total of such Statement should tally with the total of challans remitted by the Remitter..
5. The remaining copy along with copy of Statements shall be retained with the Remitter which shall be produced for verification, as and when required.
6. The Registered Trade Unions of Building and Construction Workers may also directly remit contributions into the Andhra Bank Branches by way of Challan in the same manner and send Board's copy along with Statement of Workers to the Welfare Board. The Asst. Labour Officers are requested to give wide publicity to this aspect by press notes, meetings with Employers Associations, Chambers of Commerce and major Factories etc.

7. The Collecting Branch of Andhra Bank will transmit the collection amount at weekly intervals to their Hyderabad Branch along with one copy of each Challan. This will facilitate reconciliation of Welfare Fund / Cess Collections at the Board level with the Bankers.

8. It is contemplated to Computerize Welfare Board Records and in that processes each Establishment and the Worker will be given a Code No. and the process will be communicated at the appropriate time.

The Commissioner of Labour is requested to implement the above Accounting Procedure with immediate effect.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

ASHA MURTHY

SPECIAL CHIEF SECRETARY TO GOVERNMENT

To

The Commissioner, Printing, Stationary and Store purchase, Andhra Pradesh, Hyderabad. (with a request to publish the notification in the A.P.Gazette and furnish 10 copies to Government and 50 copies to Commissioner of Labour, A.P., Hyderabad)

The Commissioner of Labour, Andhra Pradesh, Hyderabad.

ANNEXURE -1 (G.O.Ms.No.42, dt.30.04.2007)

List of Andhra Bank Branches where Welfare Fund will be collect by way of Challans.

SRIKAKULAM ZONE		KAKINADA ZONE	
1	Srikakulam	1	Kakinada (Main Branch)
2	Amudalavalasa	2	Amalapuram
3	Ichapuram	3	Tuni
4	Bobbili	4	Samarlakota
5	Kasibugga	5	Ramachandrapuram
6	Vizayanagaram	6	Pitapuram
7	Parvathipuram	7	Mandapeta
8	Salooru	8	Peddapuram
9	Akkayapalem (Vizag)	9	Danavaipeta (Rajahmundry)
10	Maharanipeta (Vizag)		
11	Anakapalle		
12	Bhitnunipatnam		
13	Gajuvaka (Vizag)		
ELURU ZONE		VIJAYAWADA ZONE	
1	Ashoknagar (Eluru)	1	Satyanarayanapuram (Vija)
2	Bhimavaram	2	Patamata (Vija)
3	Palakollu	3	Machilipatnam (Main Branch)
4	Tadepalligudem	4	Gudivada
5	Narasapur	5	Jaggaipeta
6	Nidadavolu	6	Nuzivid
7	Tanuku	7	Pedana
8	Kovvuru		
GUNTUR ZONE		TIRUPATHI ZONE	
1	Guntur(Main Branch)	1	Mullapet (Nellore)
2	Koretipadu (Guntur)	2	Gudur
3	Tenali	3	Kavali
4	Narasaraopeta	4	Chittoor
5	Bapatla	5	Tirupathi (Main Branch)
6	Repalle	6	Madanapalli
7	Cjo;ala;iro[eta	7	Srikalahasti
8	Ponnuru	8	Punganoor
9	Macherla	9	Cuddapah
10	Mangalagiri	10	Proddutoor
11	Sattenapalli		
12	Court street(Ongole)		
13	Chirala		
14	Markapur		
15	Kandukur		
KURNOOL ZONE		WARANGAL ZONE	
1	New Town (Ananthapur)	1	Warangal (Main Branch)
2	Hindupur	2	Hanumakonda
3	Guntakal	3	Janagam
4	Tadiparti	4	B.S.C.K (Khammam)
5	Dharmavaram	5	Kothagudem
6	Kadiri	6	Palavancha
7	Rayadurg	7	Ellendu
8	NR Pet(Kurnool)	8	Nalgonda
9	Nandyal	9	Suryapeta
10	Adoni	10	Miryalaguda
11	Yemmiganur	11	Bhongiri
12	Wanaparthi		
13	Mahaboobnagar		
14	Gadwall		
15	Narayanpet		

KARIMNAGAR ZONE		HYDERABAD ZONE	
1	Karimnagar (Main Branch)	1	Sultaan Bazar
2	Jagityal	2	R.P.Road Secunderabad
3	Godavarighani	3	Ashoknagar
4	Sirisilla	4	Balanagar
5	Koratla	5	BDL Branch
6	Adilabad	6	Nacharam
7	Bellampalli	7	HMT Branch
8	Manchiryal	8	Malkajgiri
9	Nirmal	9	Tandur
10	Sirpur Kagaznagar	10	Vikarabad
11	Bhansa	11	Madhapur
12	Bodhan	12	Kapra Sainikpuri
13	Nizamabad	13	Kothapet
14	Ramakrishnapuram	14	Sangareddy
15	Kamareddy	15	Siddipet
		16	zaheerabad

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ANNEXURE - 4

ANNUAL STATEMENT TO BE SUBMITTED BY THE
GOVERNMENT DEPARTMENTS/
LOCAL BODIES/PUBLIC SECTOR UNDER TAKINGS

FOR THE YEAR 200 - 0

Name of the Department:

Name and Designation of the DDO:

Registration No.
Under Building & Other Construction Workers Act

Reference No. of the Office of the DDO:

Sl.No.	No. of Works awarded during the year in which works commenced	No. of works in respect of which Bills paid to the contractors during the year	Total amount of Bills released	Amount of Cess deducted	Amount of Cess remitted
1	2	3	4	5	6

